

because of the decrease in the purchasing power of the dollar, or, as Prof. Irving Fisher puts it, because of the diminishing dollar; this is done by dividing the unadjusted index number by the index number of wholesale prices, brought to a 1900 base, and the result is called the adjusted index number of liabilities. The percentage of liabilities to assets is also given and finally the index number indicating the proportion of failures to the number of concerns in business and the adjusted index number indicating the size of the liabilities are averaged, and the result, which gives due significance to the size of the liabilities as well as to the number of concerns failing, is given as a barometer of business depression. This number reversed, i.e., subtracted from 200, is finally given as a barometer of business confidence. The records of Bradstreet and Dun are not on precisely the same basis, but the general tendency of the two records is the same.

Assignments under the Bankruptcy Act.—Under the Bankruptcy Act of 1919 (9-10 George V, c. 36), which went into force on July 1, 1920, certain documents relative to all failures coming under the Act are forwarded to the Dominion Statistician. Statistics based upon these documents have been duly compiled in the Dominion Bureau of Statistics and are published in Table 7. In the consideration of these statistics it should be remembered that changes in the Act, effective as from Oct. 1, 1923, have affected the comparability of the figures. It may be pointed out that 1927 shows a slight increase in the number of failures, though there is a decrease in defaulted liabilities as compared with 1926.

7.—Assignments (with Liabilities) under the Bankruptcy Act, by months, 1924-27.

Months.	Assignments.				Liabilities.			
	1924.	1925.	1926.	1927.	1924.	1925.	1926.	1927.
	No.	No.	No.	No.	\$	\$	\$	\$
January.....	291	270	184	191	4,173,748	2,863,489	2,388,787	2,626,292
February.....	260	162	144	143	5,882,870	1,718,492	2,836,409	2,086,652
March.....	223	198	136	164	4,276,435	3,940,270	2,338,821	2,076,947
April.....	180	162	131	128	4,447,283	2,761,991	2,380,479	2,279,954
May.....	179	160	124	127	4,332,042	3,875,485	2,065,385	2,235,675
June.....	147	145	145	138	5,977,492	2,648,954	2,312,913	2,437,981
July.....	155	131	140	117	2,687,453	2,000,630	2,352,078	2,026,449
August.....	129	134	121	147	2,949,328	2,255,962	2,139,865	2,371,788
September.....	153	151	132	128	2,706,939	2,318,623	2,709,842	2,966,636
October.....	184	142	180	184	3,398,531	2,685,195	3,180,515	3,128,798
November.....	219	163	165	186	2,987,904	2,384,283	4,164,402	3,248,419
December.....	199	177	171	174	3,285,370	2,300,162	2,921,629	3,069,895
Total.....	2,319	1,995	1,773	1,827	47,165,395	32,153,697	32,291,125	30,654,976